

Request 5-1A

Request:

Electric & VZ – Please review the following scenarios of joint pole line extensions and supply the dollar figures for the pole and anchor work (only) based on your particular billing schedules. Please explain any design assumptions and additional related costs in fleshing out the examples. VZ, please supply a separate response for each of the three Electric companies, based on your agreements with those companies.

**Scenario 1:**

- three pole line extension on private property
- **Electric** maintenance area
- (3) 140' spans / 35' poles
- Anchor at pole 3 placed **for electric use only**

	Pole 1	Pole 2	Pole 3 + anchor	Total
Electric billing to VZ	Note 1	Note 1	Note 1	
Electric invoice to the <b>customer</b>	Note 2	Note 2	Note 2	
VZ invoice to <b>customer</b>	Note 3	Note 3	Note 3	
Total cost to <b>customer</b>				

Note 1: If Electric billing to VZ is affected by the customer contribution, please explain.

Note 2: If the amount Electric invoices the customer is affected by Electric billing to VZ, please explain.

Note 3: If the amount VZ invoices the customer is affected by Electric billing to VZ, please explain.

**Scenario 2:**

- three pole line extension on private property
- **Electric** maintenance area
- (3) 140' spans / 35' poles
- Anchor at pole 3 **required by both owners**

	Pole 1	Pole 2	Pole 3 + anchor	Total
Electric billing to VZ	Note 1	Note 1	Note 1	
Electric invoice to the <b>customer</b>	Note 2	Note 2	Note 2	
VZ invoice to <b>customer</b>	Note 3	Note 3	Note 3	
Total cost to <b>customer</b>				

Request 5-1A (continued)

Note 1: If Electric billing to VZ is affected by the customer contribution, please explain.  
Note 2: If the amount Electric invoices the customer is affected by Electric billing to VZ, please explain.  
Note 3: If the amount VZ invoices the customer is affected by Electric billing to VZ, please explain.

**Scenario 3:**

- three pole line extension on private property
- **VZ** maintenance area
- (3) 140' spans / 35' poles
- Anchoring at pole 3 **placed for electric but not required by VZ**

	Pole 1	Pole 2	Pole 3 + anchor	Total
VZ billing to Electric	Note 1	Note 1	Note 1	
VZ invoice to <b>customer</b>	Note 2	Note 2	Note 2	
Electric invoice to <b>customer</b>	Note 3	Note 3	Note 3	
Total cost to <b>customer</b>				

Note 1: If VZ billing to Electric is affected by the customer contribution, please explain.  
Note 2: If the amount VZ invoices the customer is affected by VZ billing to Electric, please explain.  
Note 3: If the amount Electric invoices the customer is affected by VZ billing to Electric, please explain.

**Scenario 4:**

- three pole line extension on private property
- **VZ** maintenance area
- (3) 140' spans / 35' poles
- Anchoring at pole 3 **required by both owners**

	Pole 1	Pole 2	Pole 3 + anchor	Total
VZ billing to Electric	Note 1	Note 1	Note 1	
VZ invoice to <b>customer</b>	Note 2	Note 2	Note 2	
Electric invoice to <b>customer</b>	Note 3	Note 3	Note 3	
Total cost to <b>customer</b>				

Request 5-1A (continued)

Note 1: If VZ billing to Electric is affected by the customer contribution, please explain.

Note 2: If the amount VZ invoices the customer is affected by VZ billing to Electric, please explain.

Note 3: If the amount Electric invoices the customer is affected by VZ billing to Electric, please explain.

Response:

**Scenario 1**

	Pole 1	Pole 2	Pole 3 + anchor	Total
Electric billing to VZ	\$500	\$500	\$0	\$1,000.00
Electric invoice to the <b>customer</b>	N/A	N/A	\$409.03	\$409.03
VZ invoice to <b>customer</b>	Unknown	Unknown	Unknown	Unknown
Total cost to <b>customer</b>	Unknown	Unknown	Unknown	Unknown

Under Scenario 1, National Grid would bill Verizon for two of the three poles, consistent with the Company's IOPs with Verizon and the applicable overhead line extension policy. The Company's applicable overhead line extension policy assumes that the customer will pay for approximately one of the three poles based upon a 300 foot credit to the customer. The charge to Verizon for each pole is \$500. Because the anchor is for National Grid's use only and it is National Grid's maintenance area, there would be no charge to Verizon associated with the anchor.

To determine National Grid's invoice to the customer the Company would begin by taking the total cost for the pole installation work and subtracting Verizon's contribution. The estimated total project cost for the pole installation work as set forth in Scenario 1 is \$2,431.62. Verizon's contribution amount of \$1,000.00 would be subtracted from that amount leaving \$1,431.62. Under the applicable overhead line extension policy, the customer receives a credit for the cost of the first 300 feet of construction. To calculate the credit amount, National Grid would divide \$1,431.62 by the number of feet (420) to determine a cost per foot. The cost per foot of \$3.408619 is then multiplied by 300 feet. The resulting credit of \$1,022.5857 is then subtracted from \$1,431.62 resulting in the customer payment amount of \$409.03.

National Grid does not have information with respect to how Verizon would bill the customer under Scenario 1.

Request 5-1A (continued)

**Scenario 2**

	Pole 1	Pole 2	Pole 3 + anchor	Total
Electric billing to VZ	\$500	\$500	\$0	\$1,000.00
Electric invoice to the <b>customer</b>	N/A	N/A	\$409.03	\$409.03
VZ invoice to <b>customer</b>	Unknown	Unknown	Unknown	Unknown
Total cost to <b>customer</b>	Unknown	Unknown	Unknown	Unknown

Under Scenario 2, National Grid would bill Verizon for two of the three poles, consistent with the Company's IOPs with Verizon and the applicable overhead line extension policy. The Company's applicable overhead line extension policy assumes that the customer will pay for approximately one of the three poles based upon a 300 foot credit to the customer. The charge to Verizon for each pole is \$500. Because the anchor is necessary for National Grid's use and it is National Grid's maintenance area, there would be no charge to Verizon for the anchor.

The calculation of the customer payment amount under Scenario 2 is the same as described in National Grid's response to Scenario 1 above.

National Grid does not have information with respect to how Verizon would bill the customer under Scenario 2.

**Scenario 3**

	Pole 1	Pole 2	Pole 3 + anchor	Total
Electric billing to VZ	\$0	\$0	\$0	\$0
Electric invoice to the <b>customer</b>	N/A	N/A	\$395.57	\$395.57
VZ invoice to <b>customer</b>	Unknown	Unknown	Unknown	Unknown
Total cost to <b>customer</b>	Unknown	Unknown	Unknown	Unknown

Request 5-1A (continued)

Assuming that Verizon's total poll installation costs are equivalent to National Grid's as set forth in the responses to Scenarios 1 and 2 above, National Grid would expect Verizon to bill National Grid for two poles at a cost of \$500 per pole. Verizon would also bill National Grid a flat fee of \$200 for installing the anchor that is solely for National Grid's use in Verizon's maintenance area. Although National Grid is not actually installing the poles or the anchor, National Grid would still incur some labor, engineering, transportation and materials costs associated with attachments to the anchor that amount to \$184.50.

To determine National Grid's invoice to the customer the Company would begin by taking National Grid's total cost for the poll installation work. National Grid's estimated total cost as set forth in Scenario 3 is \$1,384.50. Under the applicable overhead line extension policy, the customer receives a credit for the cost of the first 300 feet of construction. To calculate the credit amount, National Grid would divide \$1,384.50 by the number of feet (420) to determine a cost per foot. The cost per foot of \$3.2964285 is then multiplied by 300 feet. The resulting credit of \$988.92855 is then subtracted from \$1,384.50 resulting in the customer payment amount of \$395.57.

National Grid does not have information with respect to how Verizon would bill the customer under Scenario 3.

**Scenario 4**

	Pole 1	Pole 2	Pole 3 + anchor	Total
Electric billing to VZ	\$0	\$0	\$0	\$0
Electric invoice to the <b>customer</b>	N/A	N/A	\$338.43	\$338.43
VZ invoice to <b>customer</b>	Unknown	Unknown	Unknown	Unknown
Total cost to <b>customer</b>	Unknown	Unknown	Unknown	Unknown

National Grid's response to Scenario 4 is the same as the response to Scenario 3 above, except that National Grid would not expect to be billed \$200.00 by Verizon for the anchor, since it is needed by Verizon and the project is in Verizon's maintenance area.

To determine National Grid's invoice to the customer the Company would begin by taking National Grid's total cost for the poll installation work. National Grid's

Request 5-1A (continued)

estimated total cost as set forth in Scenario 4 is \$1,184.50. Under the applicable overhead line extension policy, the customer receives a credit for the cost of the first 300 feet of construction. To calculate the credit amount, National Grid would divide \$1,184.50 by the number of feet (420) to determine a cost per foot. The cost per foot of \$2.820238 is then multiplied by 300 feet. The resulting credit of \$846.0714 is then subtracted from \$1,184.50 resulting in the customer payment amount of \$338.43.

National Grid does not have information with respect to how Verizon would bill the customer under Scenario 4.

Request 5-2A

Request:

VZ – Present VZ policy for constructing pole line extensions into multi-lot subdivisions instructs VZ engineers to design and accomplish the work without the need to levy line extension charges. VZ District Memorandum dated 11/1/05 supplied with response to Staff 4-1. Are there circumstances (end of a building cycle, no obvious building construction, builder history, etc.) where VZ might assess line extension charges to ensure that VZ is making the investment in the subdivision at the proper time?

Response:

Request 5-7A

Request:

VZ – A builder contacts the VZ business office to initiate a formal request for pole work after finding that his new construction is in a VZ maintenance area:

1. Does the VZ service representative ask the builder whether he is building the home for a specific customer or whether he is building a speculative home?
2. When the builder replies that he's building for a specific customer, does the VZ service representative ask the builder to have his customer call the BO to apply for service or does the representative take an order from the builder?
3. Is it possible to develop a method to invoice builders of speculative homes for the pole work prior to beginning the work in a VZ maintenance area in lieu of asking for a one year service guarantee?

Response:



Request 5-7B

Request:

Electrics – At the technical session, some concern was expressed that builders, in an effort to expedite construction work schedules, will “shop around” for the joint owner most likely to act quickly. What do you do to prevent builders from manipulating the system by telling your company that they don’t want VZ service in VZ maintenance areas and forcing you to set poles to honor service requests outside of your maintenance areas?

Response:

National Grid does not routinely encounter builders or owners “shopping around” for the joint owner most likely to act quickly when pole work is required. In the event our engineers are approached with this scenario, they require the builders or owners to contact Verizon when in Verizon’s maintenance area.

Request 5-8A

Request:

VZ – Verizon has indicated that it believes it cannot contact an electric customer who has requested electric service requiring pole work in a VZ maintenance area if the customer has not already contacted Verizon to order service. Please explain Verizon's practice and policy in this type of situation and provide specific cites to the pertinent state or federal rules and/or statutes which prohibit Verizon from contacting the customer. If there are no prohibitions on contacting the customer and it is, in fact, Verizon's policy not to, please explain the rationale behind such a policy.

Response:

Prepared by or under the supervision of:

Request 5-8B

Request:

Electrics & VZ – When a customer makes an application for service to either of the joint owners and pole work appears to be necessary, please identify what you believe would be the most effective written communication method for use between the respective line designers to document the contact and to ensure that both designers have enough information early in the application process to schedule their work? The EON/605A is recognized by the various IOPs as the form used to document the design of joint pole work. Would that be useful as an initial communication tool?

Response:

Yes, the EON/605A would be the most effective written communication method for this purpose.

Request 5-8C

Request:

Electrics & VZ – Given the paradigm shift in the joint pole ownership relationships that has been caused by the uncertainty that VZ will have a business relationship with a customer and therefore a reason to invest in a pole line extension for that customer, have the utilities attempted to change their JOA/IOPs to reflect that shift? If so, when and with what results?

Response:

No.

Request 5-8D

Request:

National Grid – Please supply an outline or specific JOA/IOP describing the National Grid agreements with telcos (VZ?) in NY where no maintenance areas exist as such, but where agreement goals are achieved through the division of the type of pole work and/or pricing schedules.

Response:

National Grid's agreements covering joint ownership of poles with telephone companies in New York do not use geographic areas to assign responsibilities for setting and maintaining the jointly owned poles. Placement of jointly owned poles is agreed to by the parties in a process that is very similar to the Exchange of Notice / 605A process used in New England using a form called a Joint Pole Proposal (JPP).

POLE SETS

Responsibility for installing a jointly owned pole is agreed on when the parties agree to set jointly owned poles. Over each year, the parties attempt to balance pole sets by each party to the pole ownership ratio (POR), the portion of each owner's ownership interest in each pole. In general, each owner takes responsibility for pole sets for its projects and customer commitments. Other jobs, including road projects and third party make-ready work are used to balance pole sets to the POR.

The pole pricing schedule is updated annually. Each party updates its total installed bare pole costs for each length and class of pole. For each length and class of pole, the larger of the two total installed bare pole cost is used as the price for the next year. Billing between the parties is based on the pole pricing schedule and the POR.

POLE REMOVALS

When jointly owned poles are replaced, the last owner transferring off the old pole is responsible for removing the old pole with no billing between the joint owners.

POLE MAINTENANCE

The parties agree, usually annually, on planned inspections, maintenance and replacements. Costs are shared based on the POR.

Prepared by or under the supervision of: G. Paul Anundson

Request 5-8E

Request:

Unitil - Please supply an expanded narrative of the suggestion you made to divide the joint pole work in a region by the type of work required (e.g. service poles by the electric company and the certain rebuilds/other work by VZ).

Response:

Prepared by or under the supervision of:

Request 5-8F

Request:

Electrics and VZ – Please discuss the options you employ (or might institute) to proactively communicate with customers and others, including joint owners, when scheduled work cannot be started/finished in a scheduled period for any reason and must be rescheduled/pushed out.

Response:

National Grid tries to proactively communicate with all of its customers when scheduled work cannot be started/finished in the scheduled period. We would typically do this by a telephone call from the job owner, crew supervisor or Business Account Manager to the parties that would be affected.

Request 5-8G

Request:

VZ – Please indicate the frequency with which construction schedules are reviewed. If schedules are reviewed less frequently than weekly, would the working relationships and communications with the other joint owner and customers improve if weekly scheduling course corrections or updates were made? Are there any barriers to implementing weekly scheduling reviews?

Response:

Prepared by or under the supervision of:



Request 5-8H

Request:

Electrics & VZ – What is your company policy or practice regarding on-site communications between your company’s technicians and builders/owners/customers? Do you encourage your technicians to make an attempt to keep the customer informed when problems arise, when an emergency requires that they pull off the job, or about the general progress of the job?

Response:

National Grid’s objective is to meet the builders/owners/customers agreed to need date. In the event that we cannot meet the builders/owners/customers agreed to need date, it is the practice that the job owner or crew supervisor will call the builders/owners/customers and inform them as to why we could not meet their expectations.

Granite State Electric Company d/b/a National Grid  
Docket No. DM 05-172  
Responses to Topic 4 Follow-Up Data Requests  
From 7-26-06 Technical Session

Request 5-21A

Request:

Unitil & VZ – Please detail your respective company positions on the interpretation and use of IOP#2 1.D (1) & (2).

Response:

Prepared by or under the supervision of: